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1 A bill to be entitled
 2 An act relating to the Gulf Coast Economic Corridor;
 3 amending s. 288.80, F.S.; conforming provisions;
 4 amending s. 288.8012, F.S.; providing and revising
 5 definitions; amending s. 288.8013, F.S.; deleting the
 6 creation and identification of purposes of the
 7 Recovery Fund; requiring a specified percentage of
 8 payments to the state from the Deepwater Horizon
 9 lawsuit to be transferred from the General Revenue
 10 Fund to the Triumph Gulf Coast Trust Fund; revising
 11 provisions concerning the trust account managed by
 12 Triumph Gulf Coast, Inc.; requiring interest in the
 13 trust account to be deposited into the Triumph Gulf
 14 Coast Trust Fund; revising provisions related to the
 15 investment of funds in the trust account; revising
 16 annual reporting requirements; amending s. 288.8014,
 17 F.S.; deleting references to the Recovery Fund;
 18 deleting obsolete language; revising conflict of
 19 interest restrictions imposed on board members of
 20 Triumph Gulf Coast, Inc.; removing the requirement
 21 that Triumph Gulf Coast, Inc., retain an independent
 22 financial advisor and an economic advisor; revising
 23 provisions relating to conflict of interest
 24 restrictions imposed on retained staff; amending s.
 25 288.8015, F.S.; conforming a provision to changes made

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26 | by the act; amending s. 288.8016, F.S.; requiring
 27 | Triumph Gulf Coast, Inc., to publish on its website
 28 | specified information prior to making an award;
 29 | amending s. 288.8017, F.S.; conforming provisions to
 30 | changes made by the act; revising provisions governing
 31 | the uses of awards from Triumph Gulf Coast, Inc.;
 32 | requiring Triumph Gulf Coast, Inc., to ensure that a
 33 | minimum percentage of funds appropriated for such
 34 | awards from the trust fund be expended in certain
 35 | affected counties; repealing s. 377.43, F.S., relating
 36 | to the disbursement of funds received for damages
 37 | caused by the Deepwater Horizon oil spill; providing
 38 | appropriations; authorizing appropriations in the
 39 | 2017-2018 fiscal year to be spent in the 2018-2019
 40 | fiscal year; specifying that the conflict of interest
 41 | restrictions imposed on board members of the Triumph
 42 | Gulf Coast, Inc., apply to members after a specified
 43 | date; providing an effective date.

44 |

45 | Be It Enacted by the Legislature of the State of Florida:

46 |

47 | Section 1. Section 288.80, Florida Statutes, is amended to
 48 | read:

49 | 288.80 Short title—This section and ss. 288.8011-288.8018
 50 | ~~288.8011-288.8017~~ may be cited as the "Gulf Coast Economic

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51 Corridor Act."

52 Section 2. Section 288.8012, Florida Statutes, is amended
53 to read:

54 288.8012 Definitions.—As used in ss. 288.80-288.8017, the
55 term:

56 (1) "Awardee" means a person, organization, or local
57 government granted an award of funds as authorized in s.
58 288.8017 ~~from the Recovery Fund~~ for a project or program.

59 (2) "Department" means the Department of Economic
60 Opportunity.

61 (3)-(2) "Disproportionately affected county" means Bay
62 County, Escambia County, Franklin County, Gulf County, Okaloosa
63 County, Santa Rosa County, Walton County, or Wakulla County.

64 ~~(3) "Earnings" means all the income generated by~~
65 ~~investments and interest.~~

66 (4) "Settlement agreement" means the settlement agreement
67 entered into between the parties on October 5, 2015, in the case
68 styled *In re: Oil Spill by the Oil Rig "Deepwater Horizon" in*
69 *the Gulf of Mexico, on April 20, 2010*, MDL 2179 in the United
70 States District Court for the Eastern District of Louisiana

71 ~~"Recovery Fund" means a trust account established by Triumph~~
72 ~~Gulf Coast, Inc., for the benefit of the disproportionately~~
73 ~~affected counties.~~

74 Section 3. Section 288.8013, Florida Statutes, is amended
75 to read:

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76 288.8013 Triumph Gulf Coast, Inc.; ~~Recovery Fund;~~
 77 creation; funding; investment.—

78 (1) There is created within the department ~~of Economic~~
 79 ~~Opportunity~~ a nonprofit corporation, to be known as Triumph Gulf
 80 Coast, Inc., which shall be registered, incorporated, organized,
 81 and operated in compliance with chapter 617, and which is not a
 82 unit or entity of state government. ~~Triumph Gulf Coast, Inc.,~~
 83 ~~may receive, hold, invest, and administer the Recovery Fund in~~
 84 ~~support of this act.~~ Triumph Gulf Coast, Inc., is a separate
 85 budget entity and is not subject to control, supervision, or
 86 direction by the department ~~of Economic Opportunity~~ in any
 87 manner, including, but not limited to, personnel, purchasing,
 88 transactions involving real or personal property, and budgetary
 89 matters.

90 (2) Seventy-five percent of all payments to the state
 91 pursuant to the settlement agreement shall be transferred
 92 immediately from the General Revenue Fund to the Triumph Gulf
 93 Coast Trust Fund within the department. ~~Triumph Gulf Coast,~~
 94 ~~Inc., must create and administer the Recovery Fund for the~~
 95 ~~benefit of the disproportionately affected counties. The~~
 96 ~~principal of the fund shall derive from 75 percent of all funds~~
 97 ~~recovered by the Attorney General for economic damage to the~~
 98 ~~state resulting from the Deepwater Horizon disaster, after~~
 99 ~~payment of reasonable and necessary attorney fees, costs, and~~
 100 ~~expenses, including such attorney fees, costs, and expenses~~

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101 ~~pursuant to s. 16.0155.~~

102 (3) ~~The Recovery Fund must be maintained as a long term~~
 103 ~~and stable source of revenue, which shall decline over a 30-year~~
 104 ~~period in equal amounts each year.~~ Triumph Gulf Coast, Inc.,
 105 shall establish a trust account at a federally insured financial
 106 institution to hold funds appropriated to it from the Triumph
 107 Gulf Coast Trust Fund and make deposits and payments. Interest
 108 earned in the trust account shall be deposited monthly into the
 109 Triumph Gulf Coast Trust Fund. ~~Earnings generated by investments~~
 110 ~~and interest of the fund, plus the amount of principal available~~
 111 ~~each year, shall be available to make awards pursuant to this~~
 112 ~~act and pay administrative costs. Earnings shall be accounted~~
 113 ~~for separately from principal funds set forth in subsection (2).~~
 114 Administrative costs are limited to amounts appropriated for
 115 this purpose ~~2.25 percent of the earnings in a calendar year.~~
 116 Administrative costs include payment of ~~investment fees,~~ travel
 117 and per diem expenses of board members, audits, salary or other
 118 costs for employed or contracted staff, including required staff
 119 under s. 288.8014(9), and other allowable costs. The annual
 120 salary for any employee or contracted staff may not exceed
 121 \$130,000 and associated benefits may not exceed 35 percent of
 122 salary. ~~Any funds remaining in the Recovery Fund after 30 years~~
 123 ~~shall revert to the State Treasury.~~

124 (4) ~~Triumph Gulf Coast, Inc., shall invest and reinvest~~
 125 ~~the principal of the Recovery Fund in accordance with s.~~

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126 ~~617.2104, in such a manner not to subject the funds to state or~~
 127 ~~federal taxes, and consistent with an investment policy~~
 128 ~~statement adopted by the corporation.~~

129 ~~(a) The board of directors shall formulate an investment~~
 130 ~~policy governing the investment of the principal of the Recovery~~
 131 ~~Fund. The policy shall pertain to the types, kinds, or nature of~~
 132 ~~investment of any of the funds, and any limitations, conditions~~
 133 ~~or restrictions upon the methods, practices, or procedures for~~
 134 ~~investment, reinvestments, purchases, sales, or exchange~~
 135 ~~transactions, provided such policies shall not conflict with nor~~
 136 ~~be in derogation of any state constitutional provision or law.~~
 137 ~~The policy shall be formulated with the advice of the financial~~
 138 ~~advisor in consultation with the State Board of Administration.~~

139 ~~(b) Triumph Gulf Coast, Inc., must competitively procure~~
 140 ~~one or more money managers, under the advice of the financial~~
 141 ~~advisor in consultation with the State Board of Administration,~~
 142 ~~to invest the principal of the Recovery Fund. The applicant~~
 143 ~~manager or managers may not include representatives from the~~
 144 ~~financial institution housing the trust account for the Recovery~~
 145 ~~Fund. The applicant manager or managers must present a plan to~~
 146 ~~invest the Recovery Fund to maximize earnings while prioritizing~~
 147 ~~the preservation of Recovery Fund principal. Any agreement with~~
 148 ~~a money manager must be reviewed by Triumph Gulf Coast, Inc.,~~
 149 ~~for continuance at least every 5 years. Plans should include~~
 150 ~~investment in technology and growth businesses domiciled in, or~~

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151 ~~that will be domiciled in, this state or businesses whose~~
 152 ~~principal address is in this state.~~

153 ~~(c) Costs and fees for investment services shall be~~
 154 ~~deducted from the earnings as administrative costs. Fees for~~
 155 ~~investment services shall be no greater than 150 basis points.~~

156 ~~(d) Annually, Triumph Gulf Coast, Inc., shall cause an~~
 157 ~~audit to be conducted of the investment of the Recovery Fund by~~
 158 ~~the independent certified public accountant retained in s.~~
 159 ~~288.8014. The expense of such audit shall be paid from earnings~~
 160 ~~for administrative purposes.~~

161 (4)~~(5)~~ Triumph Gulf Coast, Inc., shall report on June 30
 162 and December 30 each year to the Governor, the President of the
 163 Senate, and the Speaker of the House of Representatives on ~~the~~
 164 ~~financial status of the Recovery Fund and its investments,~~ the
 165 established priorities, the project and program selection
 166 process, including a list of all submitted projects and programs
 167 and reasons for approval or denial, and the status of all
 168 approved awards.

169 (5)~~(6)~~ The Auditor General shall conduct an operational
 170 audit of ~~the Recovery Fund and~~ Triumph Gulf Coast, Inc.,
 171 annually. Triumph Gulf Coast, Inc., shall provide to the Auditor
 172 General any detail or supplemental data required.

173 Section 4. Subsections (3), (4), (7), and (9) of section
 174 288.8014, Florida Statutes, are amended to read:

175 288.8014 Triumph Gulf Coast, Inc.; organization; board of

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176 directors.—

177 (3) Notwithstanding s. 20.052(4)(c), each initial
 178 appointment to the board of directors by the Board of Trustees
 179 of the State Board of Administration shall serve for a term that
 180 ends 4 years after the Legislature appropriates funds to Triumph
 181 Gulf Coast, Inc. ~~the Recovery Fund~~. To achieve staggered terms
 182 among the members of the board, each initial appointment to the
 183 board of directors by the President of the Senate and the
 184 Speaker of the House of Representatives shall serve for a term
 185 that ends 5 years after the Legislature appropriates funds to
 186 Triumph Gulf Coast, Inc. ~~the Recovery Fund~~. Thereafter, each
 187 member of the board of directors shall serve for a term of 4
 188 years. A member is not eligible for reappointment to the board,
 189 except, however, any member appointed to fill a vacancy for a
 190 term of 2 years or less may be reappointed for an additional
 191 term of 4 years. ~~The initial appointments to the board must be~~
 192 ~~made by November 15, 2013.~~ Vacancies on the board of directors
 193 shall be filled by the officer who originally appointed the
 194 member. A vacancy that occurs before the scheduled expiration of
 195 the term of the member shall be filled for the remainder of the
 196 unexpired term.

197 (4) The Legislature determines that it is in the public
 198 interest for the members of the board of directors to be subject
 199 to the requirements of ss. 112.313, 112.3135, and 112.3143,
 200 notwithstanding the fact that the board members are not public

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201 officers or employees. For purposes of those sections, the board
 202 members shall be considered to be public officers or employees.
 203 In addition to the postemployment restrictions of s. 112.313(9),
 204 a person appointed to the board of directors must agree to
 205 refrain from having any direct interest in any contract,
 206 franchise, privilege, project, program, or other benefit arising
 207 from an award by Triumph Gulf Coast, Inc., during the term of
 208 his or her appointment and for 6 ~~2~~ years after the termination
 209 of such appointment. It is a misdemeanor of the first degree,
 210 punishable as provided in s. 775.082 or s. 775.083, for a person
 211 to accept appointment to the board of directors in violation of
 212 this subsection or to accept a direct interest in any contract,
 213 franchise, privilege, project, program, or other benefit granted
 214 by Triumph Gulf Coast, Inc., to an awardee within 6 ~~2~~ years
 215 after the termination of his or her service on the board.
 216 Further, each member of the board of directors who is not
 217 otherwise required to file financial disclosure under s. 8, Art.
 218 II of the State Constitution or s. 112.3144 shall file
 219 disclosure of financial interests under s. 112.3145.

220 (7) The board of directors shall meet at least quarterly,
 221 upon the call of the chairperson or at the request of a majority
 222 of the membership, to ~~review the Recovery Fund,~~ establish and
 223 review priorities for economic recovery, diversification, and
 224 enhancement of the ~~in~~ disproportionately affected counties, and
 225 determine use of funds ~~the earnings~~ available. A majority of the

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226 members of the board of directors constitutes a quorum. Members
 227 may not vote by proxy.

228 (9) (a) Triumph Gulf Coast, Inc., is permitted to hire or
 229 contract for all staff necessary to the proper execution of its
 230 powers and duties to implement this act. The corporation is
 231 required to retain:

232 1. An independent certified public accountant licensed in
 233 this state pursuant to chapter 473 to inspect the records of and
 234 to annually audit the expenditure of funds ~~the earnings and~~
 235 ~~available principal disbursed~~ by Triumph Gulf Coast, Inc.

236 ~~2. An independent financial advisor to assist Triumph Gulf~~
 237 ~~Coast, Inc., in the development and implementation of a~~
 238 ~~strategic plan consistent with the requirements of this act.~~

239 ~~3. An economic advisor who will assist in the award~~
 240 ~~process, including the development of priorities, allocation~~
 241 ~~decisions, and the application and process; will assist the~~
 242 ~~board in determining eligibility of award applications and the~~
 243 ~~evaluation and scoring of applications; and will assist in the~~
 244 ~~development of award documentation.~~

245 ~~2.4.~~ A legal advisor with expertise in not-for-profit
 246 ~~investing and~~ contracting ~~and~~ who is a member of The Florida Bar
 247 to assist with contracting and carrying out the intent of this
 248 act.

249 (b) All Triumph Gulf Coast, Inc., shall require all
 250 employees of the corporation shall ~~to~~ comply with the code of

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251 ethics for public employees under part III of chapter 112.
 252 Retained staff under paragraph (a) must agree to refrain from
 253 having any direct interest in any contract, franchise,
 254 privilege, project, program, or other benefit arising from an
 255 award of funds by Triumph Gulf Coast, Inc., during the term of
 256 his or her appointment and for 6 2 years after the termination
 257 of such appointment.

258 ~~(c) Retained staff under paragraph (a) shall be available~~
 259 ~~to consult with the board of directors and shall attend meetings~~
 260 ~~of the board of directors. These individuals shall not be~~
 261 ~~permitted to vote on any matter before the board.~~

262 Section 5. Subsection (2) of section 288.8015, Florida
 263 Statutes, is amended to read:

264 288.8015 Board of directors; powers.—In addition to the
 265 powers and duties prescribed in chapter 617 and the articles and
 266 bylaws adopted in compliance with that chapter, the board of
 267 directors may:

268 (2) Make expenditures including any necessary
 269 administrative expenditure ~~from earnings~~ consistent with its
 270 powers.

271
 272 Under no circumstances may the credit of the State of Florida be
 273 pledged on behalf of Triumph Gulf Coast, Inc.

274 Section 6. Subsection (4) of section 288.8016, Florida
 275 Statutes, is amended to read:

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276 288.8016 Triumph Gulf Coast, Inc.; duties.—Triumph Gulf
 277 Coast, Inc., shall have the following duties:

278 (4) Operate in a transparent manner, providing public
 279 access to information, notice of meetings, awards, and the
 280 status of projects and programs. To this end, Triumph Gulf
 281 Coast, Inc., shall maintain a website that provides public
 282 access to this information. No less than 14 calendar days before
 283 approving an award pursuant to s. 288.8017, Triumph Gulf Coast,
 284 Inc., shall publish on the website a summary of the project or
 285 program and indicate its intent to approve the award.

286 Section 7. Section 288.8017, Florida Statutes, is amended
 287 to read:

288 288.8017 Awards.—

289 (1) Triumph Gulf Coast, Inc., shall make awards from
 290 available appropriations ~~earnings and principal derived under s.~~
 291 ~~288.8013(2)~~ to projects or programs that meet the priorities for
 292 economic recovery, diversification, and enhancement of the
 293 disproportionately affected counties, ~~notwithstanding s. 377.43.~~
 294 Awards may be provided for:

295 (a) Ad valorem tax rate reduction within
 296 disproportionately affected counties;

297 ~~(b) Payment of impact fees adopted pursuant to s.~~
 298 ~~163.31801 and imposed within disproportionately affected~~
 299 ~~counties;~~

300 ~~(c) Administrative funding for economic development~~

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301 ~~organizations located within the disproportionately affected~~
 302 ~~counties;~~

303 (b)-(d) Local match requirements of s.288.0655 ~~ss.~~
 304 ~~288.0655, 288.0659, 288.1045, and 288.106~~ for projects in the
 305 disproportionately affected counties;

306 ~~(c) Economic development projects in the~~
 307 ~~disproportionately affected counties;~~

308 (c)-(f) Public infrastructure projects that are shown to
 309 enhance economic recovery, diversification, and enhancement of
 310 ~~development in~~ the disproportionately affected counties;

311 (d)-(g) Grants to local governments in the
 312 disproportionately affected counties to establish and maintain
 313 equipment and trained personnel for local action plans of
 314 response to respond to disasters, such as plans created for the
 315 Coastal Impacts Assistance Program;

316 (e) Early childhood development and educational programs
 317 and services for children from birth to 5 years of age in the
 318 disproportionately affected counties;

319 (f)-(h) Grants to support programs ~~of excellence~~ that
 320 prepare students for future occupations and careers at K-20
 321 institutions that have ~~home~~ campuses in the disproportionately
 322 affected counties. Eligible programs include those that increase
 323 students' technology skills and knowledge; encourage industry
 324 certifications; provide rigorous, alternative pathways for
 325 students to meet high school graduation requirements; strengthen

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326 career readiness initiatives; fund high-demand programs of
 327 emphasis at the bachelor's and master's level designated by the
 328 Board of Governors; and, similar to or the same as talent
 329 retention programs created by the Chancellor of the State
 330 University System and the Commission of Education, encourage
 331 students with interest or aptitude for science, technology,
 332 engineering, mathematics, and medical disciplines to pursue
 333 postsecondary education at a state university within the
 334 disproportionately affected counties; ~~and~~

335 (g) Grants to support programs that provide participants
 336 in the disproportionately affected counties with transferrable,
 337 sustainable workforce skills that are not confined to a single
 338 employer; and

339 (h)~~(i)~~ Grants to the tourism entity created under s.
 340 288.1226 for the purpose of advertising and promoting tourism,
 341 Fresh From Florida, or related content on behalf of one or all
 342 of the disproportionately affected counties.

343 (2) Triumph Gulf Coast, Inc., shall establish an
 344 application procedure for awards and a scoring process for the
 345 selection of projects and programs that have the potential to
 346 generate increased economic activity in the disproportionately
 347 affected counties, giving priority to projects and programs
 348 that:

349 (a) Generate maximum estimated economic benefits, based on
 350 tools and models not generally employed by economic input-output

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351 analyses, including cost-benefit, return-on-investment, or
 352 dynamic scoring techniques to determine how the long-term
 353 economic growth potential of the disproportionately affected
 354 counties may be enhanced by the investment.

355 (b) Increase household income in the disproportionately
 356 affected counties above national average household income.

357 ~~(c) Expand high growth industries or establish new high~~
 358 ~~growth industries in the region.~~

359 ~~1. Industries that are supported must have strong growth~~
 360 ~~potential in the disproportionately affected counties.~~

361 ~~2. An industry's growth potential is defined based on a~~
 362 ~~detailed review of the current industry trends nationally and~~
 363 ~~the necessary supporting asset base for that industry in the~~
 364 ~~disproportionately affected counties region.~~

365 (c)~~(d)~~ Leverage or further enhance key regional assets,
 366 including educational institutions, research facilities, and
 367 military bases.

368 (d)~~(e)~~ Partner with local governments to provide funds,
 369 infrastructure, land, or other assistance for the project.

370 ~~(f) Have investment commitments from private equity or~~
 371 ~~private venture capital funds.~~

372 ~~(g) Provide or encourage seed stage investments in start-~~
 373 ~~up companies.~~

374 ~~(h) Provide advice and technical assistance to companies~~
 375 ~~on restructuring existing management, operations, or production~~

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376 ~~to attract advantageous business opportunities.~~

377 (e)~~(i)~~ Benefit the environment in addition to the economy.

378 (f)~~(j)~~ Provide outcome measures ~~for programs of excellence~~
 379 ~~support, including terms of intent and metrics.~~

380 (g)~~(k)~~ Partner with K-20 educational institutions or
 381 school districts located within the disproportionately affected
 382 counties.

383 ~~(l) Partner with convention and visitor bureaus, tourist~~
 384 ~~development councils, or chambers of commerce located within the~~
 385 ~~disproportionately affected counties.~~

386 (3) Triumph Gulf Coast, Inc., may make awards as
 387 applications are received or may establish application periods
 388 for selection. Awards may not be used to finance 100 percent of
 389 any project or program. Triumph Gulf Coast, Inc., may require a
 390 one-to-one private-sector match or higher for an award, if
 391 applicable and deemed prudent by the board of directors. An
 392 awardee may not receive all of the funds ~~earnings~~ or available
 393 in the trust account ~~principal~~ in any given year. Triumph Gulf
 394 Coast, Inc., shall ensure that each of the eight
 395 disproportionately affected counties directly benefit from
 396 awards and ensure that at least 4 percent of funds appropriated
 397 for awards from the Triumph Gulf Coast Trust Fund are expended
 398 in each of those counties over the lifetime of the settlement
 399 agreement.

400 (4) A contract executed by Triumph Gulf Coast, Inc., with

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401 an awardee must include provisions requiring a performance
 402 report on the contracted activities, must account for the proper
 403 use of funds provided under the contract, and must include
 404 provisions for recovery of awards in the event the award was
 405 based upon fraudulent information or the awardee is not meeting
 406 the performance requirements of the award. Awardees must
 407 regularly report to Triumph Gulf Coast, Inc., the expenditure of
 408 funds and the status of the project or program on a schedule
 409 determined by the corporation.

410 Section 8. Section 377.43, Florida Statutes, is repealed.

411 Section 9. Effective July 1, 2017, the sum of \$299,000,000
 412 in nonrecurring funds from the Triumph Gulf Coast Trust Fund is
 413 appropriated to Triumph Gulf Coast, Inc., for deposit into the
 414 trust account to fund awards for programs and projects
 415 authorized in s. 288.8017.

416 Section 10. The sum of \$1,000,000 in nonrecurring funds
 417 from the Triumph Gulf Coast Trust Fund is appropriated to
 418 Triumph Gulf Coast, Inc., for deposit into the trust account to
 419 pay administrative costs.

420 Section 11. Notwithstanding s. 216.301, and pursuant to s.
 421 216.351, funds appropriated pursuant to this act for the 2017-
 422 2018 fiscal year may be expended through the 2018-2019 fiscal
 423 year.

424 Section 12. The revision to s. 288.8014(4), made by this
 425 act applies only to persons who serve on the board of trustees

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426 | of Triumph Gulf Coast, Inc., on or after July 1, 2017.

427 | Section 13. This act shall take effect upon becoming a

428 | law.